



# Guideline

## Sales Tax Snowmobiles and ATVs

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Tax Commissioner

February 2006

### Motor Vehicle Excise Tax

Since July 1, 1987, a snowmobile or an all-terrain vehicle (ATV) is required to be registered with the North Dakota Motor Vehicle Department and is subject to the 5% motor vehicle excise tax. Registration of the snowmobile or ATV and the payment of motor vehicle excise tax is the responsibility of the purchaser unless:

1. The snowmobile or ATV is removed from North Dakota for use exclusively outside this state.
2. The snowmobile is used exclusively upon land owned or leased by the snowmobile owner.
3. The ATV is used exclusively for work on private agricultural land or industrial job sites located on private land.

### Snowmobile and ATV Retailers' Responsibility

If the snowmobile or ATV is going to be registered with the Motor Vehicle Department or removed immediately from the state for registration outside North Dakota, the customer would have the responsibility to pay tax at the time of registration.

However, the retailer must collect sales tax at the time of sale if the customer is not going to register the snowmobile or the ATV with the Motor Vehicle Department or with another state. The 5% state sales tax and the local tax will apply.

### Snowmobile/ATV Sales Summary

The retailer of a snowmobile or ATV is required to complete and attach a completed *Snowmobile/ATV Sales Summary* (SFN 21927) to their sales and use tax returns being filed with this office. The summary identifies all tax-free sales of snowmobiles and ATV's made during that sales tax reporting period. (A retailer may photocopy the *Summary* on back side of the guideline, as needed.)

### Miscellaneous Sales

#### Sales to Enrolled Members of Indian Reservation

The sale of a snowmobile or ATV to a Native American may be subject to tax unless the unit is delivered to the Indian reservation on which the Native American is an enrolled member. If the retailer delivers the unit to an Indian reservation on which the purchaser is an enrolled member, the purchase is exempt from motor vehicle excise tax provided a completed Tribal Claim for Tax Exemption (SFN 18085) completed by the retailer and purchaser accompanies the application for title.

#### Sales of Trailers

The sale of a snowmobile trailer or ATV trailer is subject to sales tax, which must be collected by the retailer. (In addition, sales of boats, jet-skis, and wave-runners are subject to sales tax.)

#### Sales of Snowmobiles Intended for Minnesota Registration

The sale of a new or used snowmobile by a North Dakota retailer is not subject to tax in this state if the purchaser intends to register the snowmobile in Minnesota. Minnesota sales tax would instead apply at the time of registration in that state. If the snowmobile is brought back to North Dakota for storage or use, the owner of the snowmobile will have a responsibility to register the unit, and will be responsible for North Dakota tax in the event tax has not been remitted to Minnesota.

21917

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